Alberta

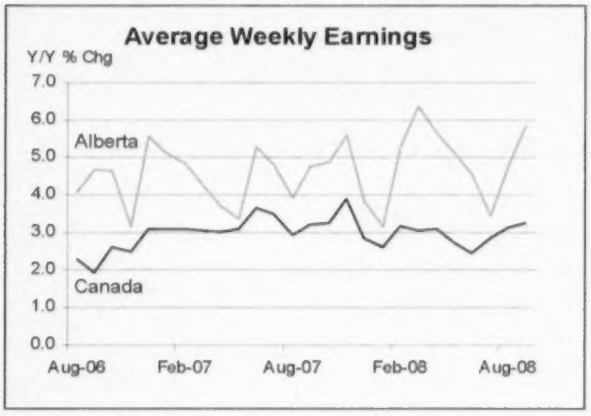
Weekly Economic Review

November 28, 2008

Average Weekly Earnings

Continued strong earnings growth…

In September, Alberta average weekly earnings rose 5.9% from the same month last year. Alberta experienced the largest increase among the provinces year-to-date at 4.9%, while nationally earnings were up 2.8% year-to-date.



Retail Sales

Retail sales rebound in September...

Following two months of no growth, retail sales in Alberta rebounded 1.3% from August and were up 1.8% over the previous year. In the first three quarters of 2008, sales were up 1.0% over 2007 led by strong growth in gasoline (+19.4%) and non-durable goods (+8.2%). Nationally, retail sales were up 1.1% over the previous month and 4.7% year-to-date.

Price Indexes

Price pressures eased…

Industrial prices remained unchanged in October as the weakened Canadian dollar offset declining energy prices. The drop in energy costs did, however, lead to a 12.5% decline in raw material prices from September.

Farm Cash Receipts

Farm cash receipts surged in Q3...

Alberta farm cash receipts were up 18.4% in the first three quarters of the 2008. Receipts have been driven higher by crop producers (+40.6%),

Cdn Dollar (US¢/C$)	
November 28, 2008	80.83
November 21, 2008	77.80
2008-09 YTD	94.10
WTI Oil US$/bbl	
November 27, 2008	$ 54.44
November 20, 2008	$ 49.62
2008-09 YTD	$108.23
Nymex Natural Gas C$/MMBtu *	
December Contract	
November 28, 2008	$ 7.82
November 21, 2008	$ 8.28

*Estimate based on Nymex Futures Market Price

while partially offset by a 2.0 % decline suffered by livestock producers. Nationally, farm cash receipts rose 13.6% in the first nine months of the year.

Current Account

Canadian current account balance fell…

Canada's third quarter current account surplus dropped to $5.6 billion from $8.2 billion in the second quarter. The decline was driven by lower commodity prices and lower Canadian foreign direct investment earnings.

Consumer Confidence Index

Consumer confidence plunged …

Canadian consumer confidence plummeted to its lowest level since 1982 in November (73.9) after increases in the three previous months. The index declined in all regions, but the decline in the prairie provinces (-6.1 percentage points) was not as severe as elsewehere (Ontario -16.6, B.C. -12.5, Quebec -10.2).

U.S. Economy

Another gloomy week…

U.S. real GDP growth for the third quarter was revised downwards from -0.3% to -0.5%. Durable goods orders plummeted. Consumer spending, which accounts for nearly 70% of U.S. GDP, fell 1.0% in October and consumer confidence remained weak for the month of November. New and existing home sales (and prices) continued to fall.